

House Bill 425

By: Representative Mills of the 25th

A BILL TO BE ENTITLED
AN ACT

1 To amend Code Section 48-8-45 of the Official Code of Georgia Annotated, relating to sales
2 and use tax, reporting of sales, and deductibility of bad debts, so as to change provisions
3 relating to deduction of bad debts by persons reporting on an accrual basis; to authorize
4 refunds as well as deductions; to provide for related matters; to repeal conflicting laws; and
5 for other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 **SECTION 1.**

8 Code Section 48-8-45 of the Official Code of Georgia Annotated, relating to sales and use
9 tax, reporting of sales, and deductibility of bad debts, is amended by revising subsection (d)
10 as follows:

11 "(d) An assignee of private label credit card debt purchased directly from a dealer without
12 recourse or a credit card bank which extends such credit to customers under a private label
13 credit card program shall be allowed a deduction or refund for private label credit card bad
14 debts under rules and regulations of the commissioner on the same basis that private label
15 credit card bad debts are allowed as a deduction or refund on state income tax returns. An
16 issuer or assignee of private label credit card debt may claim its deduction or refund for
17 private label credit card bad debts on a return filed by a member of an affiliated group as
18 defined under 26 U.S.C. Section 1504."

19 **SECTION 2.**

20 All laws and parts of laws in conflict with this Act are repealed.